090003819

VIRGINIA:

# BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

SUPPLEMENTAL ORDER REGARDING DOCKET NUMBER VGOB 09-0120-2420

ELECTIONS: UNIT BB-91 (herein Subject Drilling Unit)

# REPORT OF BOARD

#### FINDINGS AND ORDER

This Supplemental Order is entered by the Board *sua sponte* in the form authorized by the Board at hearings held on February 15, 1994 and June 16, 1992; and this Supplemental Order is being recorded for the purpose of supplementing the Order previously in the captioned matter on July 20, 2009 which was recorded at Document 090002582 in the Office of the Clerk of the Circuit Court of Buchanan County, Virginia, on August 27, 2009, (herein "Board Order") and completing the record regarding elections.

Findings: The Board finds that:

The Board Order directed CNX GAS COMPANY LLC (herein "Designated Operator") to mail copies of the Board Order to all Respondents whose interests, if any, were pooled by the said Board Order;

The Designated Operator filed its affidavit of elections disclosing that it had mailed a true and correct copy of the Board's Order to all Respondents whose interests, if any, were pooled by said Board Order;

The Board Order required each Respondent whose interests, if any, were pooled by the terms of said Board Order to make an election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the affidavit of elections filed herein and annexed hereto as Exhibit A states: (i) whether each Respondent has made or failed to make a timely election; (ii) the nature of any election(s) made; and (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interests, estates and claims in Subject Drilling Unit to the Applicant;

That the affidavit of elections annexed hereto with the Exhibits submitted therewith identifies the Respondent(s) making a timely election, if any; identifies the Respondent(s), if any, who are deemed to have leased; identifies the conflicting interests and claims which require escrow; identifies the interests and claims, if any, requiring escrow under Virginia Code section 45.1-361.21.D.; and identifies the Respondents, if any, who may be dismissed by reason of having leased or entered into a voluntary agreement with the Applicant.

The affidavit of elections indicates whether or not the escrow of funds is required with regard to Unit BB-91;

Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2. above and the annexed affidavit of elections with Exhibits thereto, any funds subject to escrow and instructs the Escrow Agent, Wachovia Bank, N.A., VA7515, P.O. Box 14061, Roanoke, VA 24038, Attn: Derrick Dewalt or any successor named by the Board to establish interest bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in the affidavit of elections with Exhibits thereto, to receive funds and account to the Board therefore.

Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that a true and correct copy of this Order was mailed to each Respondent whose interests or claims are subject to escrow and whose address is known within seven (7) days from the date of receipt of this Order.

<u>Conclusion:</u> Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.

Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 4 day of 2009, by a majority of the Virginia Gas and Oil Board.

Chairman, Bradley C. Lambert

DONE AND PERFORMED THIS

, 2009, by Order of the Board.

David E. Asbury, Jr.,

Principal Executive to the Staff of the Board

STATE OF VIRGINIA
COUNTY OF WASHINGTON

Acknowledged on this \_\_\_\_\_ day of \_\_\_\_\_\_\_, 2009, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, and appeared David E. Asbury Jr., being duly sworn did depose and say that he is Principal Executive to the Staff of the Virginia Gas and Oil Board that they executed the same and were authorized to do so.

Diane J. Davis, Notary

174394

My commission expires: September 30, 2009



VIRGINIA:

### Exhibit A

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE:

Application of CNX Gas Company LLC for Forced Pooling of Interests in CBM Unit BB-91 VGOB 09-0120-2420 in the Hurricane District of Buchanan County, Virginia

AFFIDAVIT OF CNX GAS COMPANY LLC (herein "Designated Operator") REGARDING ELECTIONS, ESCROW AND SUPPLEMENTAL ORDER

Anita D. Duty, being first duly sworn on oath, deposes and says:

That your affiant is employed by CNX Gas Company LLC, as a Pooling Supervisor and is duly authorized to make this affidavit on behalf of CNX GAS COMPANY LLC, the designated operator,

That the Order entered on July 20, 2009, by the Virginia Gas and Oil Board (hereinafter "Board") regarding the captioned CBM Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by the Order;

That within seven (7) days of receipt of an executed copy of the Order referred to at paragraph 2. above, your affiant caused a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who were added as Respondents at the hearing held in the captioned matter; that proof of such mailing has previously been tendered to the Division of Gas and Oil, the Office of the Gas and Oil Inspector, at Abingdon, Virginia;

That the Order of the Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date the Order was recorded in the counties identified above; that said Order was recorded on August 27, 2009;

That the designated operator CNX GAS COMPANY LLC has established procedures to review all mail received and all written documents received other than by mail to ascertain whether parties whose interests have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to the Subject Unit; that the following persons delivered, by mail or otherwise, written elections the Unit Operator, within the thirty day elections period:

None

That Respondents identified in Exhibit B-3 hereto are, having failed to make any election, deemed to have leased their coalbed methane rights, interests and claims to Applicant, all as provided in the Board's Order of July 20, 2009;

See attached Exhibit B-3

That the rights, interests and claims of the following persons are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia:

None

That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator:

None

That to the extent any of said persons listed in Exhibit B-2 have rights, interests and claims which are subject to escrow, they should be dismissed as respondents; the Operator requests that the following persons be added or dismissed as Respondents:

None

That the persons identified in Exhibit EE attached hereto have entered into royalty split agreements that allow the Applicant/Designated Operator to pay them directly without the need to escrow funds which would otherwise be in conflict.

None

That pursuant to the provisions of VAC 25-160-70.A.10. and C. and VAC 25-160-80 the annexed supplemental order sets forth the interests and claims that require escrow of funds pursuant to Virginia Code sections 45.1-361.21.D. and 45.1-361.22.A.3. and 4.

Dated at Bluefield, West Virginia, this 3

day of

Anita D. Duty

STATE OF WEST VIRGINIA COUNTY OF MERCER

Taken, subscribed and sworn to before me by Anita D. Duty as a Pooling Supervisor for CNX Gas Company

LLC, on behalf of the corporate Designated Operator, this 3^

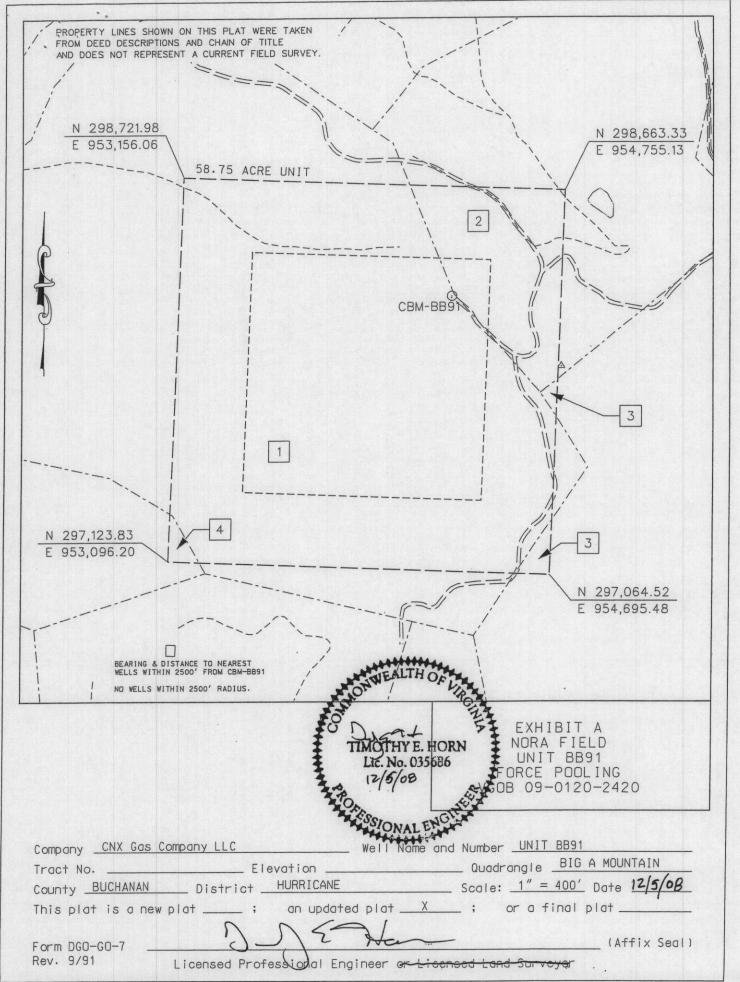
My commission expires: December 4, 2016

**NOTARY PUBLIC** STATE OF WEST VIRGINIA DIANA M. MURPHY CNX GAS COMPANY LLC 2481 JOHN NASH BLVD. BLUEFIELD, WV 24701

#### Exhibit B-3 Unit BB-91 Docket #VGOB 09-0120-2420 **List of Unleased Owners/Claimants** (58.75 Acre Unit)

		Acres in Unit	Percent of Unit
I.	COAL OWNERSHIP		
	Tract #4 - 0.32 acres		
	(1) Garden Realty Corporation, et al. (87.30 Acre Tract)	0.32 acres	0.5447%
	(b) University of Charleston, Inc. 2300 MacCorkle Avenue S.E. Charleston, WV 25304	0.067 acres 5/24 of 0.32 acres	0.1135%
	(c) Meredith E. Jennings ** 2418 West Linden Street Nashville, TN 37212	0.067 acres 5/24 of 0.32 acres	0.1135%
	(d) Fairview Limited Partnership * c/o John C. Irvin, Managing Partner 4710 Hunterwood Circle Richmond, TX 77406	0.013 acres 1/24 of 0.32 acres	0.0227%
	(e) Carol C. Irvin * 4710 Hunterwood Circle Richmond, TX 77406	0.006 acres 5/288 of 0.32 acres	0.0095%
	(f) Martha E. Combs * P.O. Box 1404 Abingdon, VA 24210	0.004 acres 7/576 of 0.32 acres	0.0066%
	(g) F.H. Combs Testamentary Trust * c/o Kelly Necessary, Trustee P.O. Box 841 Tazewell, VA 24651	0.004 acres 7/576 of 0.32 acres	0.0066%
II.	OIL & GAS OWNERSHIP		
	Tract #4 - 0.32 acres		
	(1) Garden Realty Corporation, et al. (87.30 Acre Tract)	0.32 acres	0.5447%
	(b) University of Charleston, Inc. 2300 MacCorkle Avenue S.E. Charleston, WV 25304	0.067 acres 5/24 of 0.32 acres	0.1135%
	(c) Meredith E. Jennings ** 2418 West Linden Street Nashville, TN 37212	0.067 acres 5/24 of 0.32 acres	0.1135%
	(d) Fairview Limited Partnership * c/o John C. Irvin, Managing Partner 4710 Hunterwood Circle Richmond, TX 77406	0.013 acres 1/24 of 0.32 acres	0.0227%
	(e) Carol C. Irvin * 4710 Hunterwood Circle Richmond, TX 77406	0.006 acres 5/288 of 0.32 acres	0.0095%
	(f) Martha E. Combs * P.O. Box 1404 Abingdon, VA 24210	0.004 acres 7/576 of 0.32 acres	0.0066%
	(g) F.H. Combs Testamentary Trust * c/o Kelly Necessary, Trustee P.O. Box 841 Tazewell, VA 24651	0.004 acres 7/576 of 0.32 acres	0.0066%

<sup>\*</sup> The Oil & Gas is leased by EQT Production Company 50% / Range Resources - Pine Mountain, Inc. 50% 
\*\* The Oil, Gas and CBM is leased by EQT Production Company 50% / Range Resources - Pine Mountain, Inc. 50%



# CNX Gas Company LLC UNIT BB-91

Tract Identification 58.75 Acre Unit

- Levisa Coal Company, Tract 43 (121.49 Acre Tract) All Minerals except Oil and Gas Jewell Smokeless Coal Corporation Coal Above Drainage Leased John W. Pobst, Jr., et al All Minerals except Coal CNX Gas Company LLC Oil, Gas and CBM Leased Tony Glenn Greene, et ux Surface 49.9700 acres 85.0553%
- Levisa Coal Company, Tract 42 (59.11 Acre Tract) All Minerals except Oil and Gas Jewell Smokeless Coal Corporation – Coal Above Drainage Leased John W. Pobst, Jr., et al – All Minerals except Coal CNX Gas Company LLC – Oil, Gas and CBM Leased Freddie Fuller, et ux – Surface 7.9700 acres
- Levisa Coal Company, Tract 45 (309.92 Acre Tract) All Minerals except Oil and Gas John W. Pobst, Jr., et al All Minerals except Coal CNX Gas Company LLC Oil, Gas and CBM Leased James Penley, et al Surface 0.4900 acres 0.8340%
- 4. Garden Realty Corporation, et al (87.30 Acre Tract) All Minerals Jewell Smokeless Coal Corporation – Coal In Tiller Seam and above Leased Equitable Production Company (50%) / Range Resources-Pine Mountain, Inc. (50%) – Oil and Gas Leased (50%) CNX Gas Company LLC – Oil, Gas and CBM Leased (50%) Equitable Production Company (50%) / Range Resources-Pine Mountain, Inc. (50%) – CBM Leased (20.8333%) Unknown Surface Owner 0.3200 acres